



## Fiscal Estimate Narratives

DWD 12/12/2013

LRB Number 13-1580/1	Introduction Number AB-0531	Estimate Type Original
<b>Description</b> Creation of a wage council to study and make recommendations concerning increases in the living wage and granting rule-making authority		

### Assumptions Used in Arriving at Fiscal Estimate

AB-531 will create a permanent Wage Council in the Department of Workforce Development that would meet at least once per year at the beginning of each legislative session. The purpose of the Wage Council meeting would be to study the need for a living wage increase. The Department, upon the Council's recommendation, would investigate, study and review reasonable classifications, determine the need to increase the living wage, and then, if needed, present general or special orders to be approved. The Department may also convene the Wage Council at any time the Department finds a situation where there is reasonable cause to believe an employee is not receiving a living wage.

The Wage Council created in AB-531 would consist of 15-19 members (5 for employers; 5 for employees; 5 for the public interest; and the chairperson and ranking minority member of the standing committees concerned with labor in the senate and house.

The fiscal estimate of \$5,000 annually for the Wage Council under AB-531 is based on projected meeting costs for meeting room rental, possible caucus room(s) rental; meals, lodging, and travel expenses for members, and open meeting notification requirements for such meetings.

An additional \$2,000 is projected for updating and printing brochures, and also updating website information based on the decisions of the Wage Council and the Department of Workforce Development.

### Long-Range Fiscal Implications

It is anticipated the costs of \$5,000 and \$2,000 mentioned above will continue on an annual basis for the Wage Council to meet and for materials to be updated as necessary.

## Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

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<b>Description</b> Creation of a wage council to study and make recommendations concerning increases in the living wage and granting rule-making authority		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
<p>The Department of Workforce Development projects an ongoing annual cost of \$5,000 to cover the required annual meeting of the proposed Wage Council, and any additional meetings that may be required. The Department also projects an annual cost of \$2,000 to reprint wage brochures and additional expenditures involved in notifying employers and employees throughout the State of changes to the living wage that are recommended by the Wage Council and enacted by the Legislature, and also to notify employers and employees of proposed and/or adopted rule changes affecting the living wage.</p>		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes (FTE Position Changes)	\$	\$
State Operations - Other Costs	7,000	
Local Assistance		
Aids to Individuals or Organizations		
<b>TOTAL State Costs by Category</b>	<b>\$7,000</b>	<b>\$</b>
<b>B. State Costs by Source of Funds</b>		
GPR	7,000	
FED		
PRO/PRS		
SEG/SEG-S		
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$7,000	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>	<b>Authorized Signature</b>	<b>Date</b>

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